

**STATE BOARD OF ACCOUNTS**  
**302 West Washington Street**  
**Room E418**  
**INDIANAPOLIS, INDIANA 46204-2769**

FINANCIAL STATEMENTS EXAMINATION REPORT  
OF  
UTICA TOWNSHIP FIRE PROTECTION DISTRICT  
CLARK COUNTY, INDIANA  
January 1, 2011 to December 31, 2016



**FILED**  
12/28/2017



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer/Fiscal Officer	Joshua Growe William Noel	01-01-11 to 12-31-14 01-01-15 to 12-31-17
President of the Board	William Noel Ray Castleberry	01-01-11 to 12-31-14 01-01-15 to 12-31-17



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE UTICA TOWNSHIP FIRE PROTECTION  
DISTRICT, CLARK COUNTY, INDIANA

We have examined the accompanying financial statements of the Utica Township Fire Protection District (District), for the period of January 1, 2011 to December 31, 2016. The District's management is responsible for the fair presentation of these financial statements in accordance with the prescribed basis of accounting described in Note 1. Our responsibility is to express an opinion on the financial statements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the financial statements are in accordance with the criteria, in all material respects. An examination involves performing procedures to obtain evidence about the financial statements. The nature, timing, and extent of the procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.


As discussed in Note 1 to the financial statements, the District prepares its financial statements on the prescribed basis of accounting that demonstrates compliance with the reporting requirements established by the Indiana State Board of Accounts as allowed by state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

In our opinion, because of the matter described in the preceding paragraph, the financial statements for the period of January 1, 2011 to December 31, 2016, referred to above, do not present, in conformity with accounting principles generally accepted in the United States of America, the financial position and results of operations of the District.

INDEPENDENT ACCOUNTANT'S REPORT  
(Continued)

In our opinion, the financial statements for the period of January 1, 2011 to December 31, 2016, referred to above, present the financial position and results of operations of the District based on the prescribed basis of accounting described in Note 1 to the financial statements, in all material respects.

Our examination was conducted for the purpose of forming an opinion on the District's financial statements. The Combining Schedules of Receipts, Disbursements, and Cash and Investment Balances - Regulatory Basis, Schedule of Leases and Debt, and Schedule of Capital Assets, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the financial statements. They have not been subjected to the examination procedures applied to the financial statements and, accordingly, we express no opinion on them.

  
Paul D. Joyce, CPA  
State Examiner

October 24, 2017

## FINANCIAL STATEMENTS AND ACCOMPANYING NOTES

The financial statements and accompanying notes were approved by management of the District. The financial statements and notes are presented as intended by the District.

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UTICA TOWNSHIP FIRE PROTECTION DISTRICT  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND  
CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
For the Years Ended December 31, 2011 and 2012

Fund	Cash and Investments 01-01-11	Receipts	Disbursements	Cash and Investments 12-31-11	Receipts	Disbursements	Cash and Investments 12-31-12
General Fund	\$ 130,399	\$ 153,487	\$ 145,220	\$ 138,666	\$ 134,910	\$ 145,599	\$ 127,977
Cumulative Fire	58,278	25,350	20,000	63,628	10,556	25,000	49,184
Fire Debt Service	<u>36,503</u>	<u>110,779</u>	<u>82,478</u>	<u>64,804</u>	<u>190,919</u>	<u>204,575</u>	<u>51,148</u>
Totals	<u>\$ 225,180</u>	<u>\$ 289,616</u>	<u>\$ 247,698</u>	<u>\$ 267,098</u>	<u>\$ 336,385</u>	<u>\$ 375,174</u>	<u>\$ 228,309</u>

The notes to the financial statements are an integral part of this statement.

UTICA TOWNSHIP FIRE PROTECTION DISTRICT  
 STATEMENT OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Years Ended December 31, 2013 and 2014

Fund	Cash and Investments 01-01-13	Receipts	Disbursements	Cash and Investments 12-31-13	Receipts	Disbursements	Cash and Investments 12-31-14
General Fund	\$ 127,977	\$ 119,807	\$ 186,349	\$ 61,435	\$ 142,462	\$ 176,370	\$ 27,527
Cumulative Fire	49,184	10,111	25,000	34,295	9,736	25,000	19,031
Fire Debt Service	51,148	-	41,105	10,043	186,102	113,318	82,827
Totals	<u>\$ 228,309</u>	<u>\$ 129,918</u>	<u>\$ 252,454</u>	<u>\$ 105,773</u>	<u>\$ 338,300</u>	<u>\$ 314,688</u>	<u>\$ 129,385</u>

The notes to the financial statements are an integral part of this statement.

UTICA TOWNSHIP FIRE PROTECTION DISTRICT  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND  
CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
For the Years Ended December 31, 2015 and 2016

Fund	Cash and Investments 01-01-15	Receipts	Disbursements	Cash and Investments 12-31-15	Receipts	Disbursements	Cash and Investments 12-31-16
General Fund	\$ 27,527	\$ 130,463	\$ 144,956	\$ 13,034	\$ 138,646	\$ 136,236	\$ 15,444
Cumulative Fire	19,031	10,163	-	29,194	9,718	7,044	31,868
Fire Debt Service	<u>82,827</u>	<u>16,125</u>	<u>82,212</u>	<u>16,740</u>	<u>106,616</u>	<u>82,212</u>	<u>41,144</u>
Totals	<u>\$ 129,385</u>	<u>\$ 156,751</u>	<u>\$ 227,168</u>	<u>\$ 58,968</u>	<u>\$ 254,980</u>	<u>\$ 225,492</u>	<u>\$ 88,456</u>

The notes to the financial statements are an integral part of this statement.

UTICA TOWNSHIP FIRE PROTECTION DISTRICT  
NOTES TO FINANCIAL STATEMENTS

**Note 1. Summary of Significant Accounting Policies**

*A. Reporting Entity*

The District was established under the laws of the State of Indiana. The District operates under an appointed governing board.

The accompanying financial statements present the financial information for the District.

*B. Basis of Accounting*

The financial statements are reported on a regulatory basis of accounting prescribed by the Indiana State Board of Accounts in accordance with state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The basis of accounting involves the reporting of only cash and investments and the changes therein resulting from cash inflows (receipts) and cash outflows (disbursements) reported in the period in which they occurred.

The regulatory basis of accounting differs from accounting principles generally accepted in the United States of America, in that receipts are recognized when received in cash, rather than when earned, and disbursements are recognized when paid, rather than when a liability is incurred.

*C. Cash and Investments*

Investments are stated at cost. Any changes in fair value of the investments are reported as receipts in the year of the sale of the investment.

*D. Receipts*

Receipts are presented in the aggregate on the face of the financial statements. The aggregate receipts include the following sources:

*Taxes.* Amounts received from one or more of the following: property tax, certified shares (local option tax), property tax replacement credit (local option tax), county option income tax, wheel tax, innkeeper's tax, food and beverage tax, county economic development income tax, boat and trailer excise tax, county adjusted gross income tax, and other taxes that are set by the District.

*Intergovernmental receipts.* Amounts received from other governments in the form of operating grants, entitlements, or payments in lieu of taxes. Examples of intergovernmental receipts include, but are not limited to, the following: federal grants, state grants, cigarette tax distributions received from the state, motor vehicle highway distributions received from the state, local road and street distributions received from the state, financial institution tax received from the state, auto excise surtax received from the state, commercial vehicle excise tax received from the state, major moves distributions received from the state, and riverboat receipts received from the county.

*Other receipts.* Amounts received from various sources, including, but not limited to, the following: net proceeds from borrowings; interfund loan activity; transfers authorized by statute, ordinance, resolution, or court order; internal service receipts; and fiduciary receipts.

UTICA TOWNSHIP FIRE PROTECTION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

*E. Disbursements*

Disbursements are presented in the aggregate on the face of the financial statements. The aggregate disbursements include the following uses:

*Personal services.* Amounts disbursed for salaries, wages, and related employee benefits provided for all persons employed. In those units where sick leave, vacation leave, overtime compensation, and other such benefits are appropriated separately, such payments would also be included.

*Supplies.* Amounts disbursed for articles and commodities that are entirely consumed and materially altered when used and/or show rapid depreciation after use for a short period of time. Examples of supplies include, but are not limited to, the following: office supplies, operating supplies, and repair and maintenance supplies.

*Other services and charges.* Amounts disbursed for services including, but not limited to, the following: professional services, communication and transportation, printing and advertising, insurance, utility services, repairs and maintenance, and rental charges.

*Debt service - principal and interest.* Amounts disbursed for fixed obligations resulting from financial transactions previously entered into by the District. It includes all expenditures for the reduction of the principal and interest of the District's general obligation indebtedness.

*Capital outlay.* Amounts disbursed for land, infrastructure, buildings, improvements, and machinery and equipment having an appreciable and calculable period of usefulness.

*Other disbursements.* Amounts disbursed for various other purposes including, but not limited to, the following: interfund loan payments; loans made to other funds; internal service disbursements; and transfers out that are authorized by statute, ordinance, resolution, or court order.

*F. Interfund Transfers*

The District may, from time to time, make transfers from one fund to another. These transfers, if any, are included as a part of the receipts and disbursements of the affected funds and as a part of total receipts and disbursements. The transfers are used for cash flow purposes as provided by various statutory provisions.

*G. Fund Accounting*

Separate funds are established, maintained, and reported by the District. Each fund is used to account for amounts received from and used for specific sources and uses as determined by various regulations. Restrictions on some funds are set by statute while other funds are internally restricted by the District. The amounts accounted for in a specific fund may only be available for use for certain, legally-restricted purposes. Additionally, some funds are used to account for assets held by the District in a trustee capacity as an agent of individuals, private organizations, other funds, or other governmental units and, therefore, the funds cannot be used for any expenditures of the unit itself.

UTICA TOWNSHIP FIRE PROTECTION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

**Note 2. Budgets**

The operating budget is initially prepared and approved at the local level. The fiscal officer of the District submits a proposed operating budget to the governing board for the following calendar year. The budget is advertised as required by law. Prior to adopting the budget, the governing board conducts public hearings and obtains taxpayer comments. Prior to November 1, the governing board approves the budget for the next year. The budget for funds for which property taxes are levied or highway use taxes are received is subject to final approval by the Indiana Department of Local Government Finance.

**Note 3. Property Taxes**

Property taxes levied are collected by the County Treasurer and are scheduled to be distributed to the District in June and December; however, situations can arise which would delay the distributions. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100 percent of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which normally become delinquent if not paid by May 10 and November 10, respectively.

**Note 4. Deposits and Investments**

Deposits, made in accordance with state statute (IC 5-13), with financial institutions in the State of Indiana, at year end, should be entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

State statutes authorize the District to invest in securities including, but not limited to, the following: federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

**Note 5. Risk Management**

The District may be exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job-related illnesses or injuries to employees; medical benefits to employees, retirees, and dependents; and natural disasters.

These risks can be mitigated through the purchase of insurance, establishment of a self-insurance fund, and/or participation in a risk pool. The purchase of insurance transfers the risk to an independent third-party. The establishment of a self-insurance fund allows the District to set aside money for claim settlements. The self-insurance fund would be included in the financial statements. The purpose of participation in a risk pool is to provide a medium for the funding and administration of the risks.

#### OTHER INFORMATION - UNEXAMINED

The District's Annual Financial Reports information can be found on the Gateway website: <https://gateway.ifionline.org/>.

Differences may be noted between the financial information presented in the financial statements contained in this report and the financial information presented in the District's Annual Financial Reports referenced above. These differences, if any, are due to adjustments made to the financial information during the course of the examination. This is a common occurrence in any financial statement examination. The financial information presented in this report is examined information, and the accuracy of such information can be determined by reading the opinion given in the Independent Accountant's Report.

The other information presented was approved by management of the District. It is presented as intended by the District.

UTICA TOWNSHIP FIRE PROTECTION DISTRICT  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2011

	General Fund	Cumulative Fire	Fire Debt Service	Totals
Cash and investments - beginning	\$ 130,399	\$ 58,278	\$ 36,503	\$ 225,180
Receipts:				
Taxes	68,374	11,809	72,640	152,823
Intergovernmental receipts	58,394	2,050	12,611	73,055
Other receipts	<u>26,719</u>	<u>11,491</u>	<u>25,528</u>	<u>63,738</u>
Total receipts	<u>153,487</u>	<u>25,350</u>	<u>110,779</u>	<u>289,616</u>
Disbursements:				
Personal services	1,049	-	-	1,049
Supplies	257	-	-	257
Other services and charges	143,914	20,000	-	163,914
Debt service - principal and interest	<u>-</u>	<u>-</u>	<u>82,478</u>	<u>82,478</u>
Total disbursements	<u>145,220</u>	<u>20,000</u>	<u>82,478</u>	<u>247,698</u>
Excess of receipts over disbursements	<u>8,267</u>	<u>5,350</u>	<u>28,301</u>	<u>41,918</u>
Cash and investments - ending	<u>\$ 138,666</u>	<u>\$ 63,628</u>	<u>\$ 64,804</u>	<u>\$ 267,098</u>

UTICA TOWNSHIP FIRE PROTECTION DISTRICT  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2012

	General Fund	Cumulative Fire	Fire Debt Service	Totals
Cash and investments - beginning	\$ 138,666	\$ 63,628	\$ 64,804	\$ 267,098
Receipts:				
Taxes	71,827	9,454	27,679	108,960
Intergovernmental receipts	63,083	1,102	3,227	67,412
Other receipts	-	-	160,013	160,013
Total receipts	<u>134,910</u>	<u>10,556</u>	<u>190,919</u>	<u>336,385</u>
Disbursements:				
Personal services	1,049	-	-	1,049
Supplies	257	-	-	257
Other services and charges	144,293	20,000	-	164,293
Debt service - principal and interest	-	-	204,575	204,575
Capital outlay	-	5,000	-	5,000
Total disbursements	<u>145,599</u>	<u>25,000</u>	<u>204,575</u>	<u>375,174</u>
Deficiency of receipts over disbursements	<u>(10,689)</u>	<u>(14,444)</u>	<u>(13,657)</u>	<u>(38,790)</u>
Cash and investments - ending	<u>\$ 127,977</u>	<u>\$ 49,184</u>	<u>\$ 51,148</u>	<u>\$ 228,309</u>

UTICA TOWNSHIP FIRE PROTECTION DISTRICT  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2013

	General Fund	Cumulative Fire	Fire Debt Service	Totals
Cash and investments - beginning	\$ 127,977	\$ 49,184	\$ 51,148	\$ 228,309
Receipts:				
Taxes	73,371	9,003	-	82,374
Intergovernmental receipts	46,436	1,108	-	47,544
Other receipts	-	-	-	-
Total receipts	<u>119,807</u>	<u>10,111</u>	<u>-</u>	<u>129,918</u>
Disbursements:				
Personal services	999	-	-	999
Supplies	257	-	-	257
Other services and charges	185,093	-	-	185,093
Debt service - principal and interest	-	25,000	41,105	66,105
Total disbursements	<u>186,349</u>	<u>25,000</u>	<u>41,105</u>	<u>252,454</u>
Deficiency of receipts over disbursements	<u>(66,542)</u>	<u>(14,889)</u>	<u>(41,105)</u>	<u>(122,536)</u>
Cash and investments - ending	<u>\$ 61,435</u>	<u>\$ 34,295</u>	<u>\$ 10,043</u>	<u>\$ 105,773</u>

UTICA TOWNSHIP FIRE PROTECTION DISTRICT  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2014

	General Fund	Cumulative Fire	Fire Debt Service	Totals
Cash and investments - beginning	\$ 61,435	\$ 34,295	\$ 10,043	\$ 105,773
Receipts:				
Taxes	73,978	8,807	140,207	222,992
Intergovernmental receipts	37,378	929	14,789	53,096
Other receipts	31,106	-	31,106	62,212
Total receipts	<u>142,462</u>	<u>9,736</u>	<u>186,102</u>	<u>338,300</u>
Disbursements:				
Personal services	1,049	-	-	1,049
Supplies	296	-	-	296
Other services and charges	143,919	25,000	-	168,919
Debt service - principal and interest	-	-	82,212	82,212
Other disbursements	31,106	-	31,106	62,212
Total disbursements	<u>176,370</u>	<u>25,000</u>	<u>113,318</u>	<u>314,688</u>
Excess (deficiency) of receipts over disbursements	<u>(33,908)</u>	<u>(15,264)</u>	<u>72,784</u>	<u>23,612</u>
Cash and investments - ending	<u>\$ 27,527</u>	<u>\$ 19,031</u>	<u>\$ 82,827</u>	<u>\$ 129,385</u>

UTICA TOWNSHIP FIRE PROTECTION DISTRICT  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2015

	General Fund	Cumulative Fire	Fire Debt Service	Totals
Cash and investments - beginning	\$ 27,527	\$ 19,031	\$ 82,827	\$ 129,385
Receipts:				
Taxes	92,703	9,179	14,594	116,476
Intergovernmental receipts	37,719	963	1,531	40,213
Other receipts	41	21	-	62
Total receipts	<u>130,463</u>	<u>10,163</u>	<u>16,125</u>	<u>156,751</u>
Disbursements:				
Personal services	899	-	-	899
Supplies	257	-	-	257
Other services and charges	143,800	-	-	143,800
Debt service - principal and interest	-	-	82,212	82,212
Total disbursements	<u>144,956</u>	<u>-</u>	<u>82,212</u>	<u>227,168</u>
Excess (deficiency) of receipts over disbursements	<u>(14,493)</u>	<u>10,163</u>	<u>(66,087)</u>	<u>(70,417)</u>
Cash and investments - ending	<u>\$ 13,034</u>	<u>\$ 29,194</u>	<u>\$ 16,740</u>	<u>\$ 58,968</u>

UTICA TOWNSHIP FIRE PROTECTION DISTRICT  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2016

	General Fund	Cumulative Fire	Fire Debt Service	Totals
Cash and investments - beginning	\$ 13,034	\$ 29,194	\$ 16,740	\$ 58,968
Receipts:				
Taxes	86,938	8,897	91,184	187,019
Intergovernmental receipts	39,120	821	8,388	48,329
Other receipts	12,588	-	7,044	19,632
Total receipts	<u>138,646</u>	<u>9,718</u>	<u>106,616</u>	<u>254,980</u>
Disbursements:				
Personal services	1,049	-	-	1,049
Supplies	257	-	-	257
Other services and charges	134,930	-	-	134,930
Debt service - principal and interest	-	-	82,212	82,212
Other disbursements	-	7,044	-	7,044
Total disbursements	<u>136,236</u>	<u>7,044</u>	<u>82,212</u>	<u>225,492</u>
Excess of receipts over disbursements	<u>2,410</u>	<u>2,674</u>	<u>24,404</u>	<u>29,488</u>
Cash and investments - ending	<u>\$ 15,444</u>	<u>\$ 31,868</u>	<u>\$ 41,144</u>	<u>\$ 88,456</u>

UTICA TOWNSHIP FIRE PROTECTION DISTRICT  
 SCHEDULE OF LEASES AND DEBT  
 December 31, 2016

Description of Debt		Ending Principal Balance	Principal and Interest Due Within One Year	
Type	Purpose			
Governmental activities:				
Notes and loans payable	Your Community Bank Fire Trucks loan	<u>\$ 897,353</u>	<u>\$ 131,130</u>	
Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
First Bankers Corporation	2012 Pumper Lease	<u>\$ 82,212</u>	07/15/2012	07/1/2018

UTICA TOWNSHIP FIRE PROTECTION DISTRICT  
SCHEDULE OF CAPITAL ASSETS  
December 31, 2016

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed or donated assets are reported at estimated fair value at the time received.

	<u>Ending Balance</u>
Governmental activities:	
Land	\$ 51,650
Buildings	214,500
Machinery, equipment, and vehicles	<u>1,540,076</u>
Total capital assets	<u>\$ 1,806,226</u>

#### OTHER REPORTS

In addition to this report, other reports may have been issued for the District. All reports can be found on the Indiana State Board of Accounts' website: <http://www.in.gov/sboa/>.